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1	BEFORE THE ARIZONA CORPORATION COMMISSION		
2	COMMISSIONERS SUSAN BITTER SMITH - CHARGE ARPORATION Commission 2015 DEC 17 P 4: 41		
3	BOB STUMP DOCKETED		
4	BOB BURNS DOUG LITTLE TOM FORESE  DEC 1 7 2015  AZ CORP COMMISSION DOCKET CONTROL		
5	DOCKETED BY LG		
6			
7	IN THE MATTER OF THE COMMISSION'S) DOCKET NO. E-00000J-14-0023 INVESTIGATION OF VALUE AND COST OF)		
8	DISTRIBUTED GENERATION ) TUCSON ELECTRIC POWER		
9	COMPANY'S AND UNS ELECTRIC, INC.'S RESPONSE		
10	) TO STAFF'S REQUEST FOR PROCEDURAL ORDER		
11			
12			
13	On December 3, 2015, a Procedural Order was issued in the above-captioned docket		
14	(among other things) set a hearing date and ordered Tucson Electric Power Company and U		

that INS Electric, Inc. ("Companies") to provide notice of the proceeding to its customers via bill insert or direct mail by December 30, 2015. The Companies determined that the most economical way to provide such notice was via bill insert. However, because it takes at least 30 days to complete the bill insert process, in order to comply with the procedural order's compliance deadline, the Companies decided to expeditiously commence bill inserts and to then direct mail the notice to those customers who would not receive their monthly bill by December 30th. Under this process, the Companies anticipate that 424,825 customers will receive the notice via bill insert and 82,175 customers will receive the notice via direct mail. The Companies have already printed the notices for the bill inserts and direct mail at a cost of \$12,208 and commenced the bill insert process on December 9, 2015. The total cost of providing this notice is projected to be \$60,856.

On December 15, 2015, the Utilities Division ("Staff") filed a Request for a Procedural Conference to issues raised by Mohave Electric Cooperative and the Grand Canyon State Electric Cooperative Association (collectively "Cooperatives"). On December 16, 2015, Staff filed a

Request for a Procedural Order and requested that the December 30, 2015 deadline for providing customer notice be suspended and that the procedural conference be held after the holidays to discuss the issues raised by the Cooperatives. Counsel for the Companies contacted counsel for Staff to confirm that Staff's request for suspension of the compliance deadline was not intended to suggest that the Companies discontinue providing notice to its customers, as such process is well underway.

The Companies support Staff's request for a suspension of the compliance deadline which will provide the Companies an opportunity to provide all customers the notice by bill insert (which would be completed by approximately January 10, 2016), thereby saving the Companies approximately \$49,000 in direct mailing costs. Customers receiving the notice in January will still have at least than two weeks prior notice of the January 29, 2016 intervention deadline. However, the Companies believe that regardless of the issues raised by the Cooperatives and the temporary suspension of the compliance deadline until a procedural conference is held, the form of notice (and the dates set forth therein) should not be changed for the Companies. The Companies have already printed approximately 358,000 copies of the notice for all customers and approximately 25 percent of their customers have already received notice via bill insert. Any change to the notice at this point would result in additional considerable expense and lead to customer confusion.

RESPECTFULLY SUBMITTED this 17th day of December 2015.

TUCSON ELECTRIC POWER COMPANY

UNS ELECTRIC, INC.

Bradley S. Carroll

Bv

Tucson Electric Power Company

88 East Broadway Blvd., MS HQE910

P. O. Box 711

Tucson, Arizona 85702

and

1		Michael W. Patten Timothy J. Sabo
2		Jason D. Gellman One Arizona Center
3   4		Snell & Wilmer L.L.C. 400 East Van Buren Street
5		Phoenix, Arizona 85004
6		Attorneys for Tucson Electric Power Company
7		and UNS Electric, Inc.
8 9 10	Original and 13 copies of the foregoing filed this 17th day of December 2015 with:  Docket Control Arizona Corporation Commission 1200 West Washington Street	
11	Phoenix, Arizona 85007	
12	Copies of the foregoing hand-delivered/mai this 17th day of December 2015 to the follows:	led wing:
<ul><li>13</li><li>14</li><li>15</li><li>16</li></ul>	Teena Jibilian Administrative Law Judge Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007	
17 18 19	Janice M. Alward, Esq. Legal Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007	
20 21	Thomas Broderick Utilities Division Arizona Corporation Commission	
22	1200 West Washington Street Phoenix, Arizona 85007	
23	C. Webb Crockett	
24 25	Patrick Black Fennemore Craig PC 2394 E. Camelback Road, Suite 600 Phoenix, Arizona 85016	
26 27	Dillon Holmes Clean Power Arizona 9635 N. 7 <sup>th</sup> Street, #47520 Phoenix, AZ 85068	

1	Court S. Rich
2	Rose Law Group, PC 7144 E. Stetson Drive, Suite 300 Scottsdale, AZ 85251
3	
4	Daniel W. Pozefsky Chief Counsel
5	Residential Utility Consumer Office 1110 West Washington, Suite 220 Phoenix, AZ 85007
6	
7	Jeffrey Crockett Crockett Law Group PLLC 1702 E. Highland Ave., Suite 204
8	Phoenix, Arizona 85016
9	Kirby Chapman, CPA Chief Financial and Administrative Officer
10	Sulphur Springs Valley Electric Cooperative, Inc. 311 E. Wilcox
11	Sierra Vista, Arizona 85650
12	Meghan H. Grabel
13	Osborn Maledon, PA 2929 North Central Avenue Phoenix, Arizona 85012
14	
15	Craig A. Marks Craig A. Marks, PLC 10645 N. Tatum Blvd., Suite 200-676
16	Phoenix, Arizona 85028
17	Thomas A. Loquvam Melissa M. Krueger
18	Thomas L. Mumaw
19	Pinnacle West Capital Corporation P.O. Box 53999, MS 8695 Phoenix, Arizona 85072-3999
20	
21	Kerri A. Carnes Arizona Public Service Company P.O. Box 53999. MS 9712
22	Phoenix, Arizona 85072-3999
23	Jennifer A. Cranston Gallagher & Kennedy, PA
24	2575 E. Camelback Road, 11 <sup>th</sup> Floor Phoenix, Arizona 85016
25	Garry D. Hays
26	Law Offices of Garry D. Hays, PC 1702 E. Highland Ave., Suite 204
27	Phoenix, Arizona 85016

1	Timothy M. Hogan Arizona Center for Law in the Public Interest 514 W. Roosevelt Street
2	Phoenix, Arizona 85003
3	Rick Gilliam Director of Research and Analysis
4	The Vote Solar Initiative
5	1120 Pearl Street, Suite 200 Boulder, Colorado 80302
6	Diana Kahan Bragram Director
7	Briana Kobor, Program Director Vote Solar
8	360 22 <sup>nd</sup> Street, Suite 730 Oakland, CA 94612
9	Ken Wilson Western Resource Advocates
10	2260 Baseline Road, Suite 200 Boulder, Colorado 80302
11	
12	Greg Patterson Arizona Competitive Power Alliance
13	916 West Adams, Suite 3 Phoenix, Arizona 85007
14	Gary Pierson
15	Arizona Electric Power Cooperative, Inc. P.O. Box 670
16	1000 S. Highway 80 Benson, Arizona 85602
17	Charles C. Kretek Columbus Electric Cooperative, Inc.
18	P.O. Box 631 Deming, New Mexico 88031
19	
20	LaDel Laub Dixie Escalante Rural Electric Association
21	71 E. Highway 56 Beryl, Utah 84714
22	Steven Lunt
23	Duncan Valley Electric Cooperative, Inc. 379597 AZ 75
24	P.O. Box 440 Duncan, Arizona 85534
25	Dan McClendon
26	Garkane Energy Cooperative P.O. Box 465
27	Loa, Utah 84747
	II

*****	William P. Sullivan Curtis, Goodwin, Sullivan, Udall & Schwab, PLC 501 E. Thomas Road		
2	Phoenix, Arizona 85012		
3	Than W. Ashby Graham County Electric Cooperative, Inc.		
4	9 W. Center Street		
5	P.O. Drawer B Pima, Arizona 85543		
6	Tyler Carlson		
7	Peggy Gillman Mohave Electric Cooperative, Inc.		
8	P.O. Box 1045 Bullhead City, Arizona 86430		
9	Richard C. Adkerson		
10	Michael J. Arnold Morenci Water and Electric Company		
11	333 N. Central Ave. Phoenix, Arizona 85004		
12	Charles R. Moore Paul O'Dair		
13	Navopache Electric Cooperative, Inc.  1878 W. White Mountain Blvd.		
14	Lakeside, Arizona 85929		
15	Albert Gervenack Sun City West Property Owners & Residents Association		
16	13815 Camino Del Sol Sun City West, Arizona 85375		
17	Sun City West, Arizona 85575		
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20	B. Ashles		
21	Ву		
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